

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0232-21_

SPONSOR: Seth Damon

TITLE: An Action Relating to Resources and Development Committee; Naabik'iyáti' Committee, and the Navajo Nation Council; Approving Oil and Gas Operating Agreements Between the Navajo Nation and Navajo Nation Oil and Gas Company for Tohachee Wash, Beautiful Mountain, and Porcupine Dome

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LEGISLATIVE SUMMARY SHEET
Tracking No. 0232-21

DATE: October 18, 2021

TITLE OF RESOLUTION: PROPOSED NAVAJO NATION COUNCIL RESOLUTION; AN ACTION RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE, AND THE NAVAJO NATION COUNCIL; APPROVING OIL AND GAS OPERATING AGREEMENTS BETWEEN THE NAVAJO NATION AND NAVAJO NATION OIL AND GAS COMPANY FOR TOHACHEE WASH, BEAUTIFUL MOUNTAIN, AND PORCUPINE DOME

PURPOSE: The purpose of this legislation to approve Tohachee Wash , Beautiful Mountain, and Porcupine Dome Oil and Gas Operating Agreements between the Navajo Nation and the Navajo Nation Oil and Gas Company.

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.

5-DAY BILL HOLD PERIOD: VS Breakhorse
Website Posting Time/Date:
Posting End Date: November 9, 2021
Eligible for Action: November 10, 2021

Resources & Development Committee
Thence
Naabik'iyati' Committee
Thence
Navajo Nation Council

1 PROPOSED NAVAJO NATION COUNCIL RESOLUTION
2 24th NAVAJO NATION COUNCIL—Third Year, 2021

3 INTRODUCED BY

4 

5 Primary Sponsor

6 TRACKING NO. 0232-21

7 AN ACTION

8 RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE,
9 NAABIK'ÍYÁTI' COMMITTEE, AND THE NAVAJO NATION COUNCIL;
10 APPROVING OIL AND GAS OPERATING AGREEMENTS BETWEEN THE
11 NAVAJO NATION AND NAVAJO NATION OIL AND GAS COMPANY FOR
12 TOHACHEE WASH, BEAUTIFUL MOUNTAIN, AND PORCUPINE DOME

13 BE IT ENACTED:

14 SECTION ONE. AUTHORITY

- 15 A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C
16 §102(A).
17 B. The Naabik'iyati' Committee is a standing committee of the Navajo Nation Council and
18 is authorized to assign proposed resolutions that require final action by the Navajo
19 Nation Council. 2 N.N.C. §§ 164 (A)(9) and 700(A).
20 C. The Resources and Development Committee is a standing committee of the Navajo
21 Nation Council and is authorized to make recommendations to the Navajo Nation
22 Council for final approval for mineral agreements. 2 N.N.C. §§ 500 (A), and
23 501(B)(4)(a).
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1 **SECTION TWO. FINDINGS**

- 2 A. The Navajo Nation is blessed with abundant energy resources.
- 3 B. Historically, these resources were leased to non-Navajo entities, and the Navajo Nation
4 benefited appropriately from the development of those resources but hoped to include
5 Navajo entities in also benefitting from the development of those resources.
- 6 C. In 1998, the Navajo Nation Council addressed this crucial matter, by ratifying
7 unanimously the federal Charter of Incorporation for the Navajo Nation Oil and Gas
8 Company ("NNOGC"), a wholly owned Navajo Nation corporation organized under
9 section 17 of the Indian Reorganization Act, as amended, 25 U.S.C. § 5124 (formerly
10 25 U.S.C. § 477). See Resolution No. CF-22-98, and subsequently amended such
11 Charter to ensure experienced corporate leadership, and Resolution No. CO-40-15.
- 12 D. One of NNOGC's principal objectives assigned by the Navajo Nation Council has been
13 to regain for the Navajo Nation mineral lands that had been leased to others, so that
14 those resources could be developed, the life of the resource extended, and the Navajo
15 Nation take part in the risks and rewards of being a part of the energy business. NNOGC
16 has done so, acquiring with partners lands formerly leased to Chevron Texaco, Exxon
17 Mobil and other companies; investing over \$390 million of NNOGC's own proceeds in
18 the acquisition and development of the Aneth and other oil fields within the Navajo
19 Nation; reversing the decline in oil and gas production on the Navajo Indian
20 Reservation through those investments; and managing and growing a successful
21 business that the Nation owns.
- 22 E. It is in the best interest of NNOGC and the Navajo Nation for NNOGC to continue
23 exploration and production of Navajo Nation oil and gas resources, including the
24 Nation's world class helium resources, by approving new oil and gas operating
25 agreements for NNOGC, and by NNOGC's investing in development of Navajo Nation
26 resources pursuant to such agreements.
- 27 F. NNOGC and the Navajo Nation now desire to enter into Oil and Gas Operating
28 Agreements.
- 29 G. The Navajo Nation Oil and Gas Operating Agreement for Tohachee Wash is attached
30 as **Exhibit A**; the Programmatic Environmental Assessment of the Tohache Wash

1 Project for the Navajo Nation Oil and Gas Company, Apache Country, Arizona with
2 appendices is attached as **Exhibit A-1**; the survey and legal description of the Tohache
3 Wash Project is attached as **Exhibit A-2**.

4 H. The Navajo Nation Oil and Gas Operating Agreement for Beautiful Mountain is
5 attached as **Exhibit B**; the Programmatic Environmental Assessment of the Beautiful
6 Mountain Project for the Navajo Nation Oil and Gas Company, Apache Country,
7 Arizona with appendices is attached as **Exhibit B-1**; and the survey and legal
8 description of the Beautiful Mountain Project is attached as **Exhibit B-2**.

9 I. The Navajo Nation Oil and Gas Operating Agreement for Porcupine Dome is attached
10 as **Exhibit C**; the Programmatic Environmental Assessment of the Porcupine Dome
11 Project for the Navajo Nation Oil and Gas Company, Apache Country, Arizona with
12 appendices is attached as **Exhibit C-1**; and the survey and legal description of the
13 Porcupine Dome Project is attached as **Exhibit C-2**.

14 J. Supporting Chapter Resolutions Teec Nos Pos Chapter Resolution No. TNPCH 07-09-
15 17 R61, Teec Nos Pos Chapter Resolution No. TNPCH 06-13-2019 R-76, and Tsé
16 Ałnaozti'í Chapter Resolution No. TAT-19-06-66 are attached as **Exhibits D, E and F**
17 respectively.

18 K. The Executive Official Review Document No. 016149 is attached as **Exhibit G**.

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20 SECTION THREE. APPROVAL AND AUTHORIZATION

21 A. The Navajo Nation hereby approves the Oil and Gas Operating Agreement between the
22 Navajo Nation and Navajo Nation Oil and Gas Company for Tohachee Wash, **Exhibit**
23 **A**

24 B. The Navajo Nation hereby approves the Oil and Gas Operating Agreement between the
25 Navajo Nation and Navajo Nation Oil and Gas Company for Beautiful Mountain, and
26 Porcupine Dome, attached hereto respectively as, **Exhibit B**,

27 C. The Navajo Nation hereby approves the Oil and Gas Operating Agreement between the
28 Navajo Nation and Navajo Nation Oil and Gas Company for and **Exhibit C**.

29 D. The Navajo Nation hereby authorizes the President of the Navajo Nation to execute
30 any and all documents necessary to affect the intent and purpose of this resolution.